

MPRRAC Meeting

January 20, 2017
9:00 AM – 12:00 PM

Facilitator – Lila Cummings

Presenters – Kate Davidson
Jesse Durfee
Elizabeth Lopez



COLORADO

Department of Health Care
Policy & Financing

Agenda

Meeting Minutes Review	9:00–9:15 AM
Surgery & Anesthesia Presentation (pt. 1)	9:15–10:20 AM
Break	10:20–10:30 AM
Surgery & Anesthesia Presentation (pt. 2)	10:30–11:00 AM
Stakeholder Comment	11:00–11:30 AM
Committee Discussion	11:30–11:55 AM
Next Steps	11:55 AM–12:00 PM



Meeting Minutes Review



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Surgery & Anesthesia



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Surgery & Anesthesia Overview

All anesthesia services are examined in year two; surgeries are examined over years two and three of the rate review process:

Year Two:

- Anesthesia
- Surgeries:
 - Digestive systems;
 - Musculoskeletal systems;
 - Cardiovascular systems;
 - Integumentary systems;
 - Eye and auditory systems; and
 - Respiratory systems

Year Three:

- Surgeries:
 - Urinary systems;
 - Genital systems;
 - Maternity;
 - Endocrine systems; and
 - Nervous systems.



Surgery & Anesthesia Overview

The following chart displays the total paid amounts for each service and the percent each service comprised of the total paid for all year two surgery and anesthesia services.

Category of Service	Total Paid Amount	Percent of Total Paid Year Two Surgery & Anesthesia Services
Anesthesia	\$ 37,280,107	39.43%
Digestive Systems	\$ 16,110,440	17.04%
Musculoskeletal Systems	\$ 15,857,491	16.77%
Cardiovascular Systems	\$ 9,309,169	9.84%
Integumentary Systems	\$ 7,591,935	8.03%
Eye and Auditory Systems	\$ 5,188,978	5.49%
Respiratory Systems	\$ 3,220,132	3.41%
Total	\$ 94,558,253	100.00%

Surgery & Anesthesia Presentation Structure

The following six slides include:

- aggregate analyses for year two surgeries; as well as
- a more detailed explanation of each slide's purpose; and
- information regarding how to understand each slide.



Year Two Surgeries – Service Description and Rate Benchmark Comparison (structure)

First, we will provide a brief service definition (like the example below) and CPT code range for each service. Benefit managers from the Department will also provide some descriptive statistics for each service.

Example:

Surgery is performed for the purpose of structurally altering the human body by the incision or destruction of tissues, as [defined by the American Medical Association](#). CPT ranges are listed for each specific surgery sub-category in this presentation.

Year Two Surgeries – Service Description and Rate Benchmark Comparison (structure)

A note on benchmarks:

For surgeries, the Department plans to create three benchmark comparisons, involving Medicare *non-facility* rates, Medicare *facility* rates and a combination of Medicare's non-facility *AND* facility rates.

- More information regarding how Medicare defines non-facilities and facilities places of service can be found the [Center for Medicare and Medicaid Service's \(CMS\) website](#).]
- Providers are required to include place of service (POS) on their claims.

Year Two Surgeries – Service Description and Rate Benchmark Comparison (structure)

The table below provides rate benchmark comparison information. Three rate ratios are calculated for most services. Rate ratios are calculated using:

- a) Medicare's non-facility rate, regardless of POS on the claim.
- b) Medicare's facility rate, when the POS on the claim was a facility and there was a corresponding Medicare facility rate.
- c) Medicare's non-facility and facility rates, based on the POS on the claim. If a Medicare facility rate was not available, the Medicare non-facility rate was used.

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 57,278,318	54.80%	106.30%	71.80%

Year Two Surgeries – Service Description and Rate Benchmark Comparison (explained)

Service specific tables, like the one below, will break-down (as a percentage) the total paid (by Colorado Medicaid) by place of service (POS).

Percentage of CO Medicaid Paid Dollars based on POS	
Non-Facility	Facility
17.76%	82.24%

Year Two Surgeries – Service Description and Rate Benchmark Comparison

Surgery is performed for the purpose of structurally altering the human body by the incision or destruction of tissues, as [defined by the American Medical Association](#). CPT ranges are listed for each specific surgery sub-category in this presentation.

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

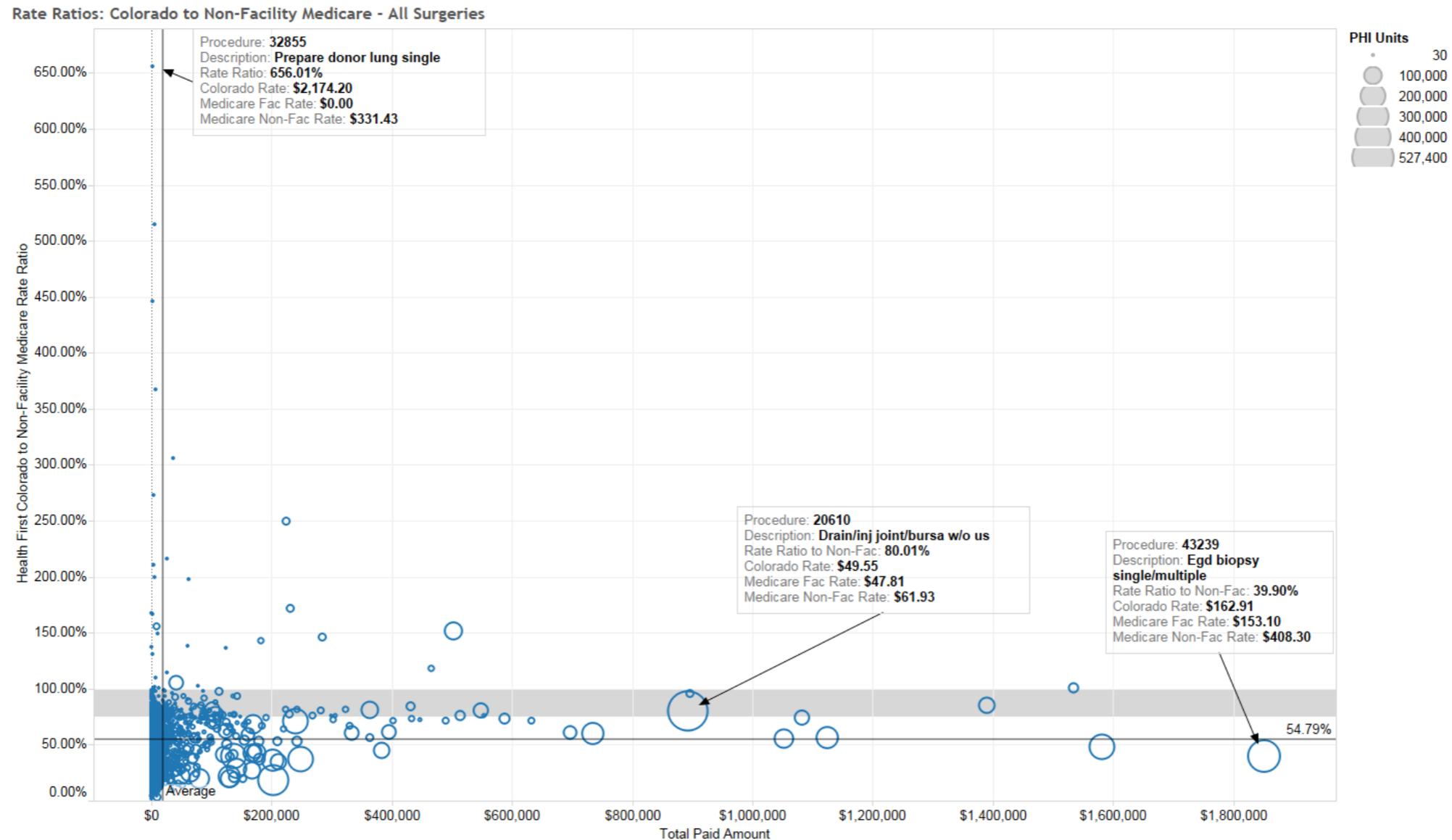
Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 57,278,318	54.79%	106.30%	71.80%

Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
17.76%	82.24%

Preliminary Analysis

Year Two Surgeries – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare rate ratios range from 2.13% to 651.40%.
- Further instructions on how to read rate ratio scatter plots is found on p.2 of the “Preliminary Year Two Surgery & Anesthesia Analyses” handout.



Surgery – Digestive Systems



Digestive Systems – Service Description and Rate Benchmark Comparison

- Surgical and diagnostic procedures extending from where food enters the body to where it leaves (CPTs 40490-49999).

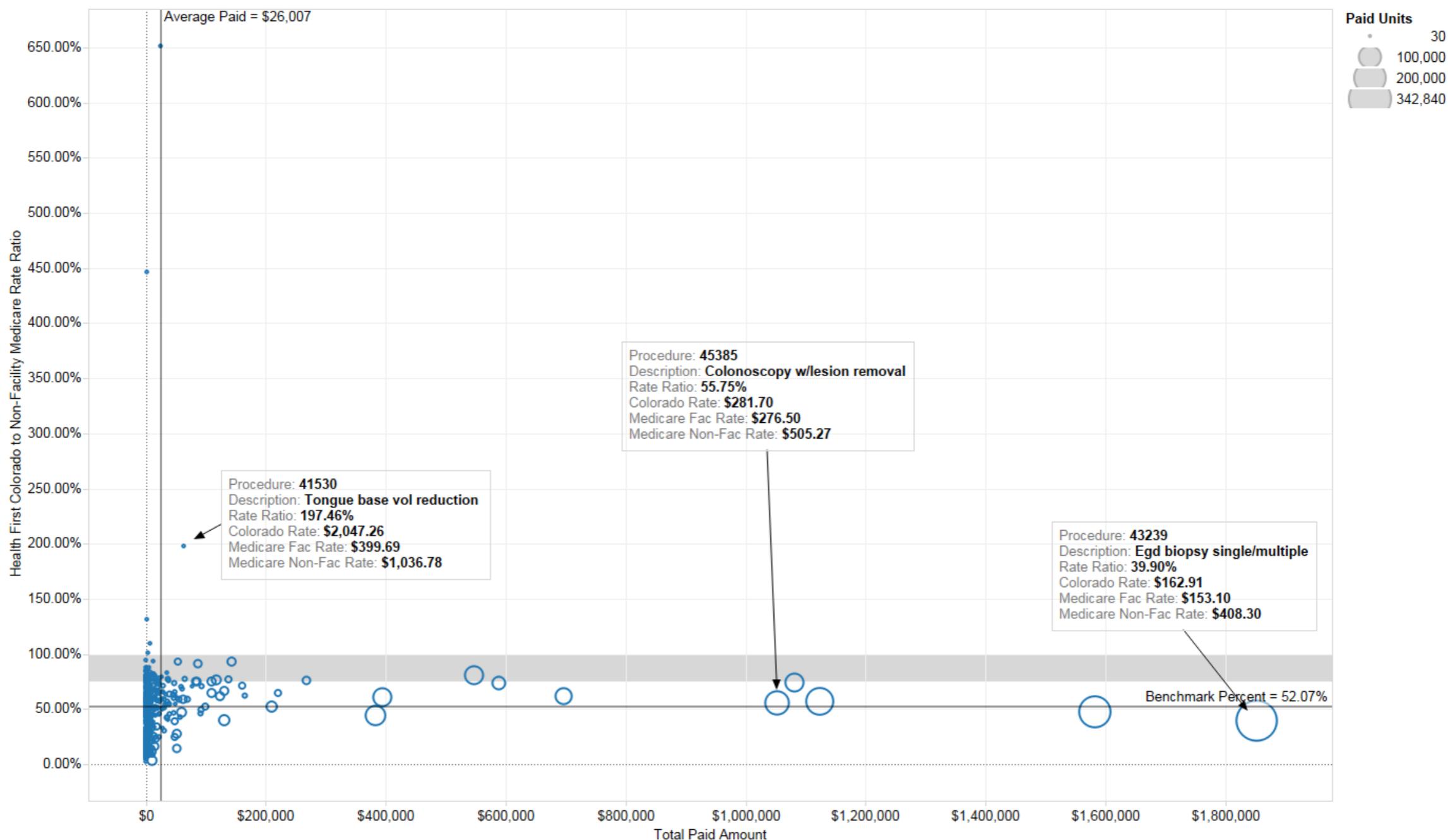
CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 16,110,440	52.07%	113.10%	76.00%

Percentage of CO Medicaid Paid Dollars based on POS

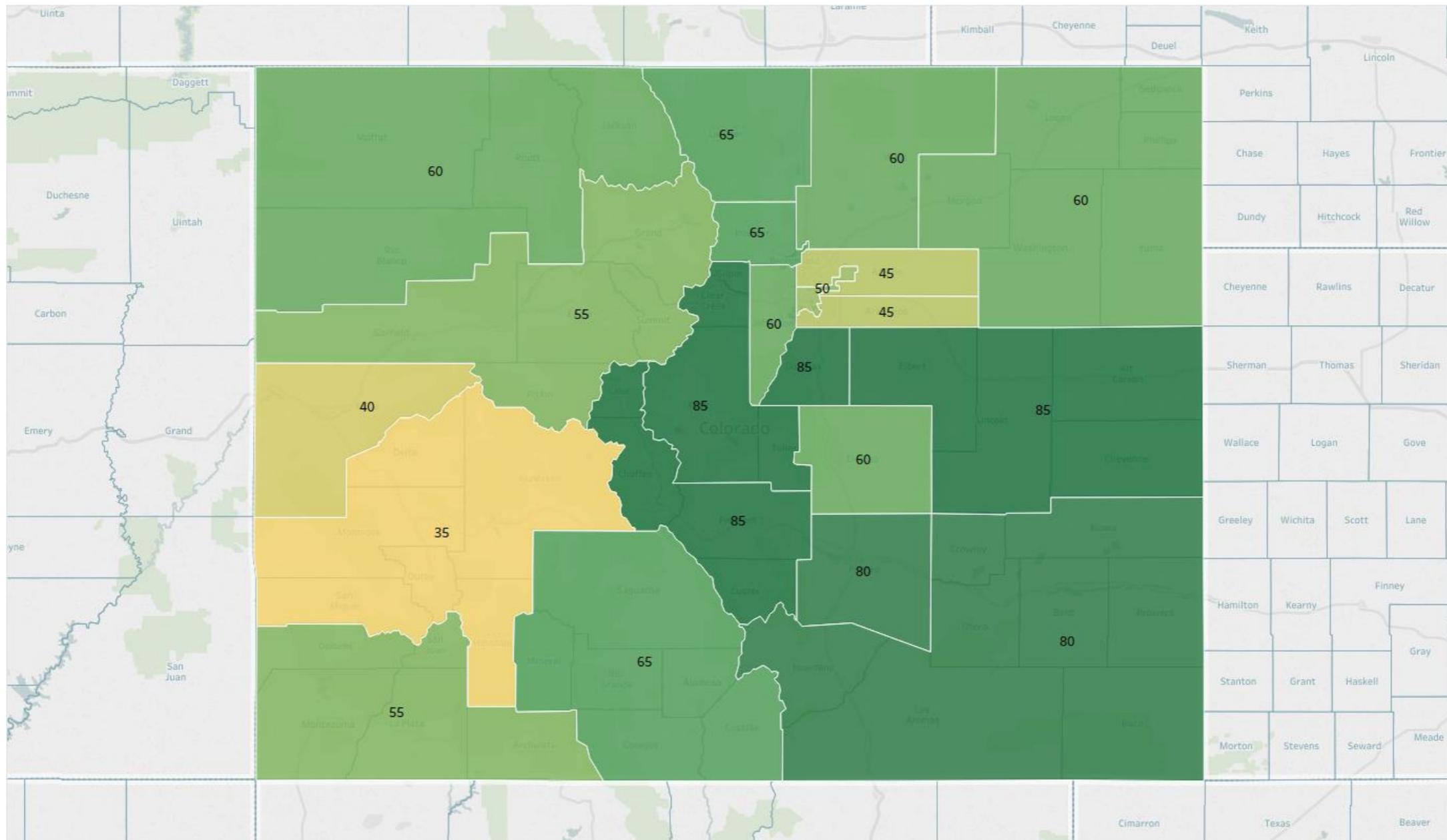
Non-Facility	Facility
3.44%	96.56%

Digestive Systems – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare non-facility rate ratios range from 2.13% to 651.40%.
- More information can be found on p.6 of the handout.

Digestive Systems – Access to Care Index



- Access to Care Index scores range from 35 to 85.
- More information can be found on p.7 of the handout.

Surgery – Musculoskeletal Systems



Musculoskeletal Systems – Service Description and Rate Benchmark Comparison

- Procedures done to the locomotor system. Most commonly spine fusions, arthroscopy, and arthroplasty (CPTs 20005-29999).

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

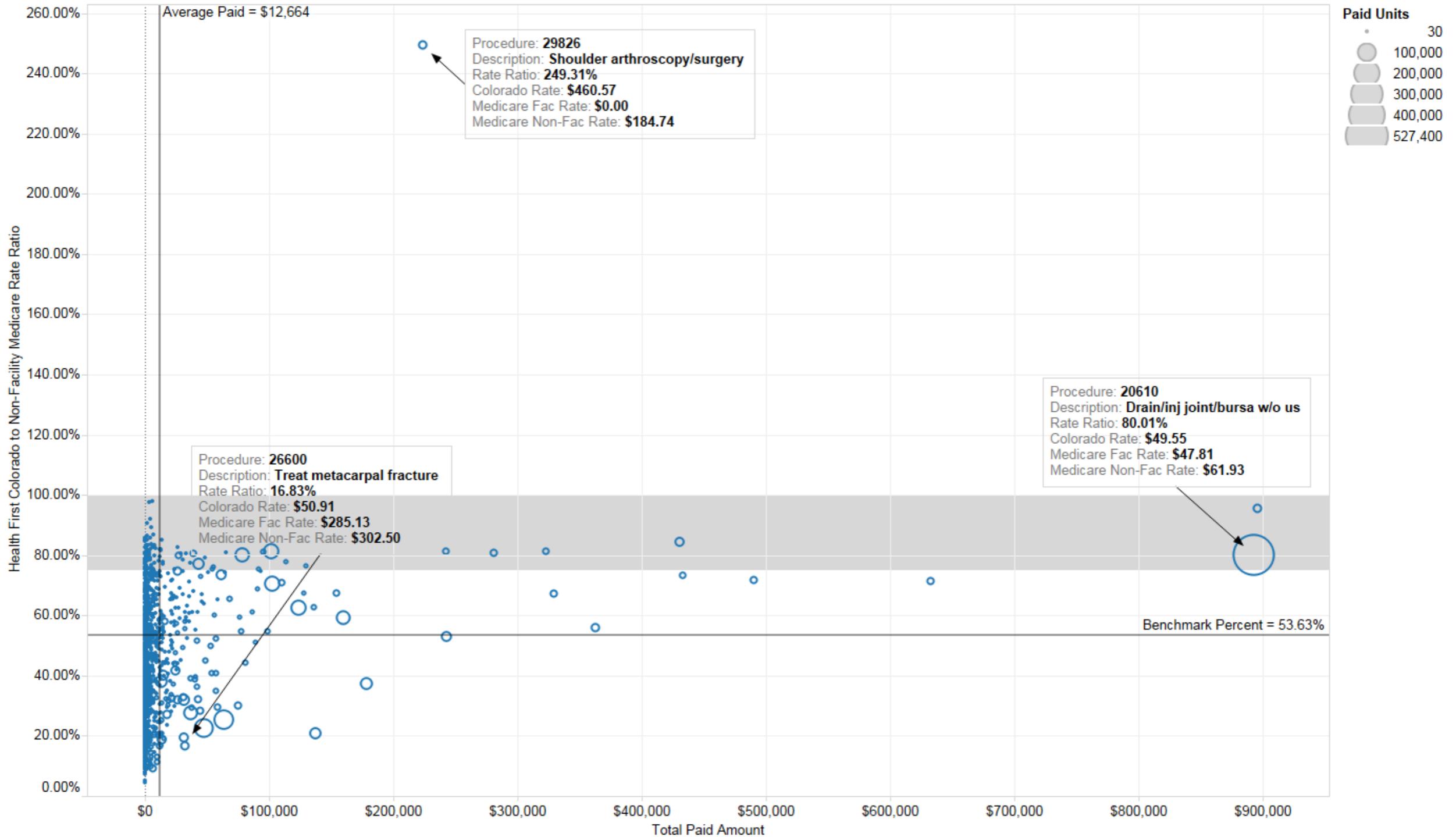
Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 15,857,491	53.63%	48.80%	57.40%

Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
13.25%	86.75%

Preliminary Analysis

Musculoskeletal Systems – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare non-facility rate ratios range from 4.49% to 249.31%.
- More information can be found on p.8 of the handout.



Surgery – Cardiovascular Systems



Cardiovascular Systems – Service Description and Rate Benchmark Comparison

- Procedures related to the heart, veins, and arteries (CPTs 33010-39599).

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS).

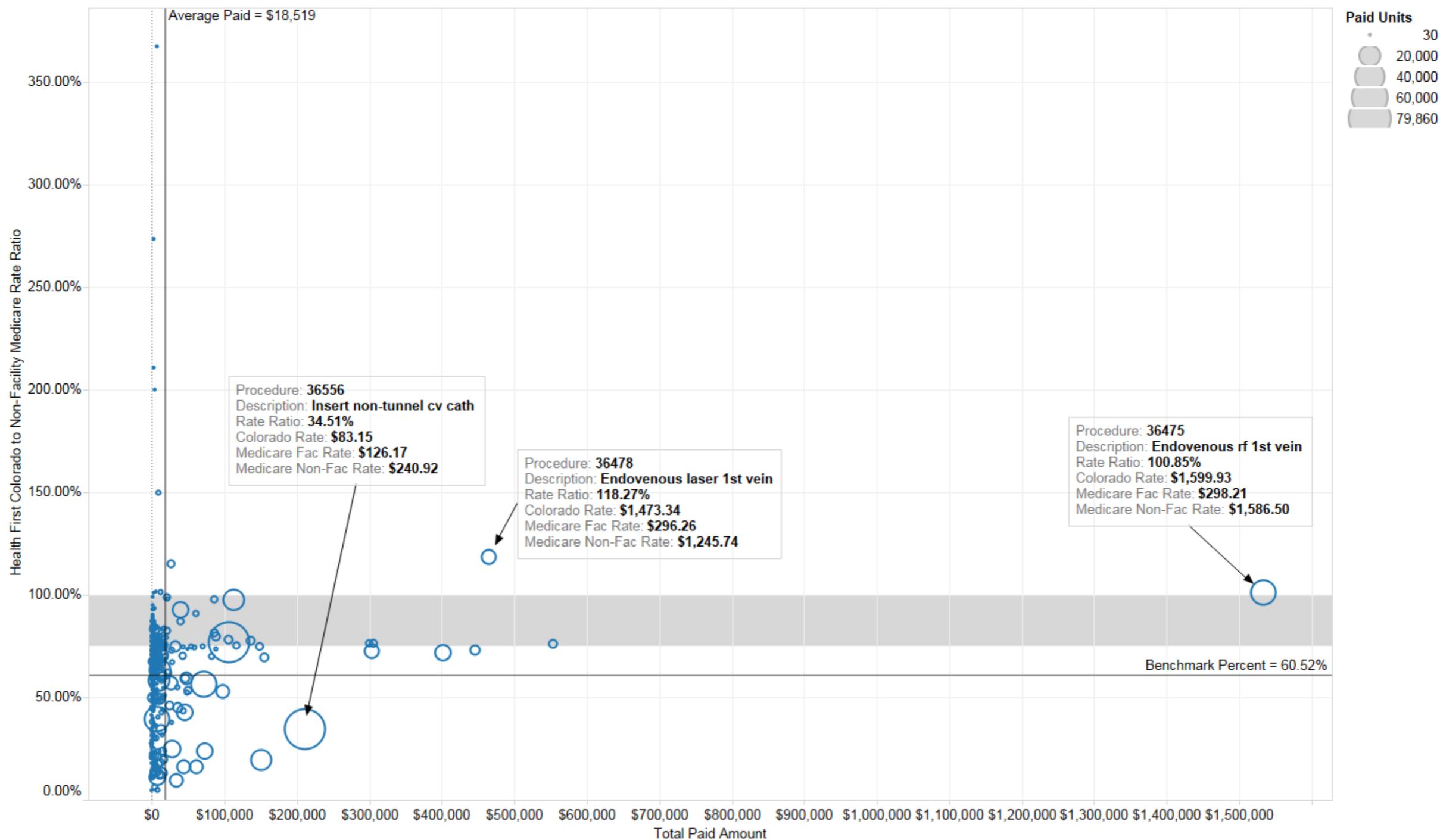
Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 9,309,169	60.52%	281.70%	126.80%

Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
25.23%	74.77%

Preliminary Analysis

Cardiovascular Systems – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare non-facility rate ratios range from 4.45% to 367.23%.
- More information can be found on p.10 of the handout.



Surgery – Integumentary Systems



Integumentary Systems – Service Description and Rate Benchmark Comparison

- Procedures of the skin and breasts (CPTs 10020-19499).

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS).

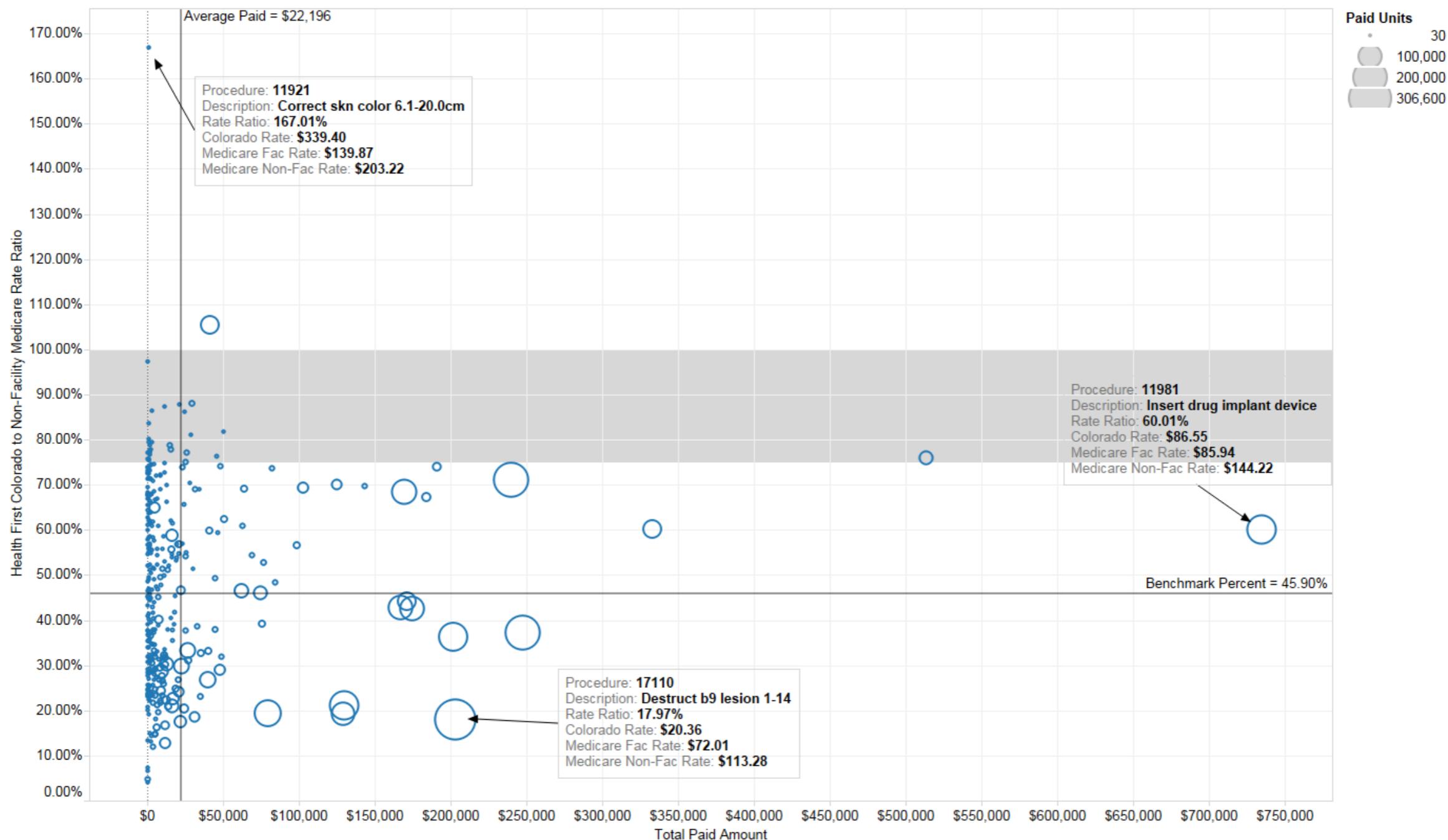
Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 7,591,935	45.90%	69.70%	56.80%

Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
41.97%	58.03%

Preliminary Analysis

Integumentary Systems – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare non-facility rate ratios range from 4.06% to 167.01%.
- More information can be found on p.12 of the handout.



Surgery – Eye & Auditory Systems



Eye & Auditory Systems – Service Description and Rate Benchmark Comparison

- Surgeries pertaining to the eye (as well as the ocular muscles and eyelids) and the ears (CPTs 65091-69990).

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

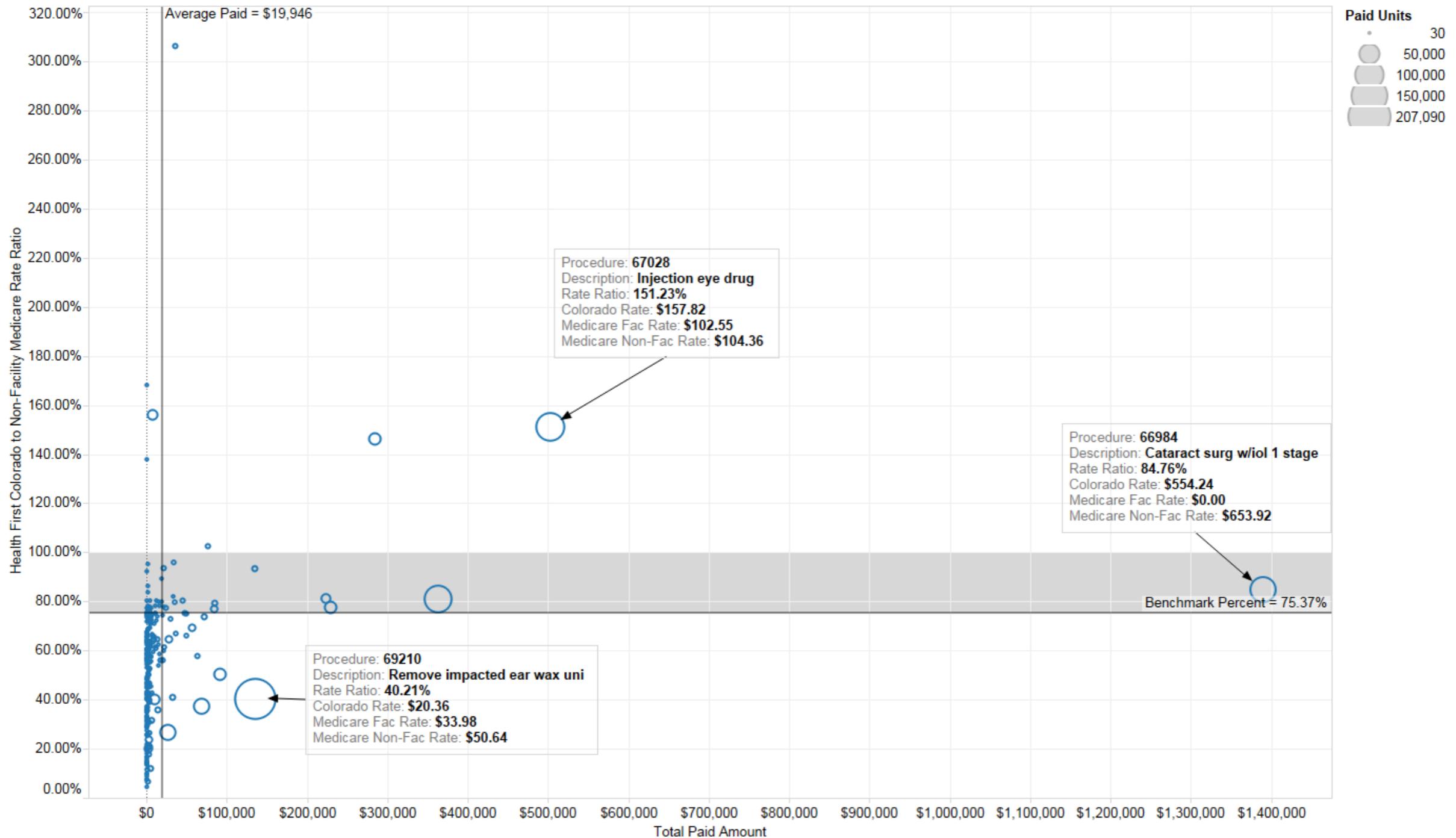
Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 5,188,978	75.37%	81.50%	77.90%

Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
27.24%	72.76%

Preliminary Analysis

Eye & Auditory Systems – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare non-facility rate ratios range from 4.48% to 306.38%.
- More information can be found on p.14 of the handout.



Surgery – Respiratory Systems



Respiratory Systems – Service Description and Rate Benchmark Comparison

- Procedures related to the diagnostic evaluation and invasive surgeries of the nose, trachea, bronchi, lungs, and pleura (CPTs 30000-32999).

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

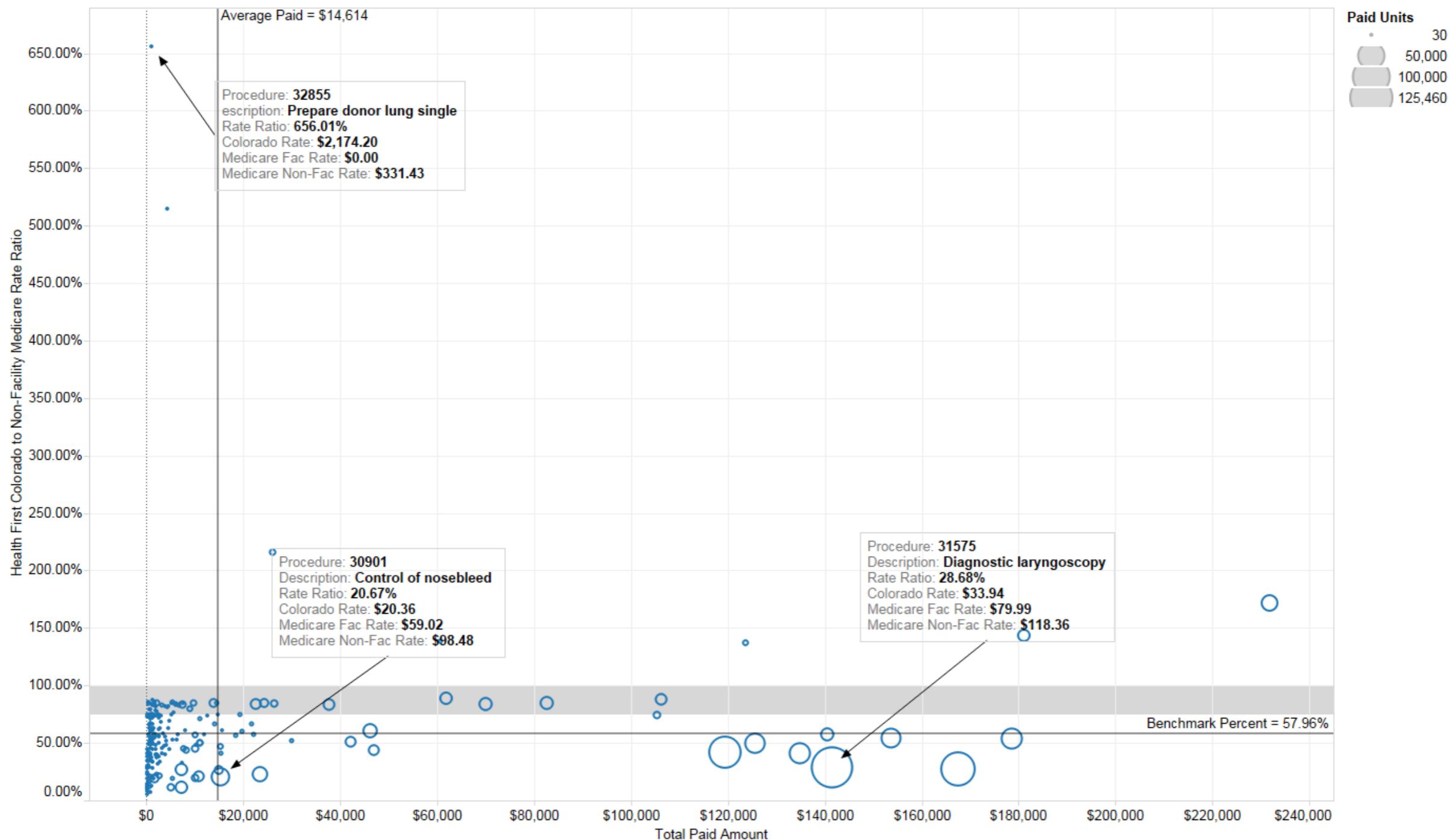
Expenditures	POS: Non-Facility (a)	POS: Facility (b)	POS-Specific (c)
\$ 3,220,304	57.96%	152.40%	73.00%

Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
17.78%	82.24%

Preliminary Analysis

Respiratory Systems – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare non-facility rate ratios range from 5.83% to 656.01%.
- More information can be found on p.16 of the handout.



Anesthesia



Anesthesia – Service Description and Rate Benchmark Comparison

- General, local, and conscious sedation done to permit the performance of surgery or for other painful procedures (CPTs 00100-01999).

CO Medicaid expenditures and Medicare rate ratio based on place of service (POS)

Expenditures	Medicare*
\$ 37,280,107	131.60%

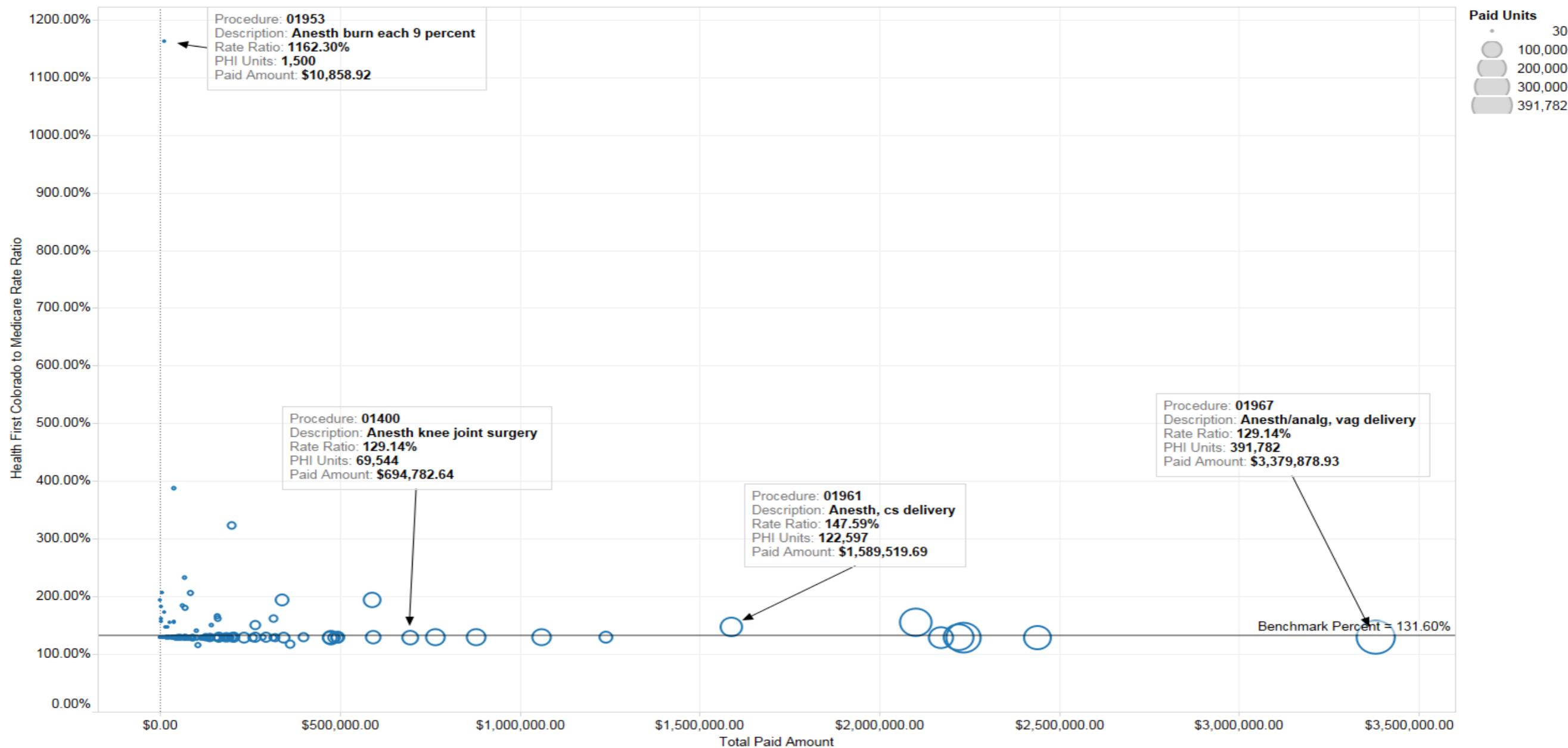
Percentage of CO Medicaid Paid Dollars based on POS

Non-Facility	Facility
0.20%	99.80%

*Medicare does not have separate non-facility and facility rates for these anesthesia services.



Anesthesia – Rate Ratio Scatter Plot



- By code, CO Medicaid to Medicare rate ratios range from 116.23% to 1,162.30%.
- More information can be found on p.4 of the handout.

Public Comment from Stakeholders



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MPRRAC Discussion



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Next Steps



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Comments or Questions

- Contact Lila Cummings with additional questions between meetings: Lila.Cummings@state.co.us.

